

CROCKER & CROCKER

ATTORNEYS AT LAW

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IDAHO PUBLIC
UTILITIES COMMISSION

PATRICK D. CROCKER
patrick@crockerlawfirm.com

August 5, 2013

Jean Jewell, Commission Secretary
Idaho Public Utilities Commission
Statehouse
472 West Washington Street
Boise, ID 83702

RE: BCN TELECOM, INC.

NUI-T-13-01

Dear Ms. Jewell:

Enclosed herewith for filing with the Commission, please find an original and three (3) copies of the above captioned Corporation's Application for Authority to Provide Resold and Facilities-based Local Exchange within the State of Idaho.

In addition, enclosed is a duplicate copy of this letter. Please date-stamp the duplicate and return it to me in the enclosed stamped, self-addressed envelope.

Any questions concerning this filing should be directed to the undersigned at (269) 381-8893 or patrick@crockerlawfirm.com.

Very truly yours,

CROCKER & CROCKER

Patrick D. Crocker

PDC/tld

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

In the Matter of the Application of)
BCN TELECOM, INC.)
For a Certificate of Public Convenience and)
Necessity to Provide Facilities-based and)
Resold Local Exchange Services in the State of)
Idaho)

PUC Docket No:

NU1-T-13-01

**APPLICATION FOR AUTHORITY TO PROVIDE
RESOLD AND FACILITIES-BASED LOCAL EXCHANGE
TELECOMMUNICATIONS SERVICES**

BCN TELECOM, INC. ("Applicant") hereby applies to the Idaho Public Utilities Commission ("Commission") for a Certificate of Public Convenience and Necessity to provide facilities-based and resold local exchange and interexchange services within the State of Idaho pursuant to Title 62 of the Idaho Code and IDAPA 31.01.01.111. In support thereof, Applicant provides the following information:

PROPOSED SERVICES

Applicant proposes to provide resold and facilities-based local exchange services throughout the State of Idaho in the territories of Qwest. Applicant has no current plans to build facilities. Applicant will market services to business and residential customers. Applicant intends to provide the proposed services either using the services and facilities of other facilities-based carriers and/or, where economical, by obtaining access to the UNE-Platform of the incumbent local exchange carrier. Specific types of services include but will not be limited to Two Way Local Lines/Trunks, Direct Inward/Outward Dialing Options, Local Calling, and access to 911 Emergency Services.

Applicant notified the Commission of its intent to provide 1+ interexchange telecommunications service and the Commission accepted the tariff filed as of December 27, 2001.

FORM OF BUSINESS

1. Name, Address and Form of Business

**BCN TELECOM, INC.
550 Hills Drive, Suite 110, 1st Floor
Bedminster, NJ 07921**

b. Applicant is not a sole proprietorship.

c. Applicant is not a partnership.

d. Applicant is a corporation;

1. a short statement of the character of public service in which it may engage,

Applicant intends to provide telecommunication services as a local exchange service provider selling services on a wholesale and retail basis.

2. the name of the state in which it is organized,

Applicant is incorporated under the laws of the State of New Jersey.

3. its principal business address and

**BCN TELECOM, INC.
550 Hills Drive, Suite 110, 1st Floor
Bedminster, NJ 07921**

its principal business address within Idaho,

**BCN TELECOM, INC.
550 Hills Drive, Suite 110, 1st Floor
Bedminster, NJ 07921**

4. a certified copy of its articles of incorporation,

A copy of Applicant's Articles of Incorporation is attached as Exhibit A.

5. if not incorporated in Idaho, a certificate of good standing issued by the Secretary of State, and
A copy of Applicant's Certificate of Good Standing from the Idaho Secretary of State is attached as Exhibit B.
6. name and address of registered agent for service in Idaho.

**Corporation Service Company
1401 Shoreline Drive, Suite 2
Boise, ID 83702**

2. If a corporation, the names and addresses of the ten common stockholders of applicant owning the greatest number of shares of common stock and the number of such shares owned by each, as follows:

**Telecom Acquisition Company, LLC 100%
550 Route 202-206, 2nd Floor
Bedminster, NJ 07921**

3. Names and addresses of the officers and directors of applicant.

Richard M. Boudria	President/CEO/Director
550 Hills Drive, Suite 110, 1st Floor	
Bedminster, NJ 07921	

Claudia K. Tiger	Secretary
<i>(same as above)</i>	

Richard G. Schmeling	Treasurer
<i>(same as above)</i>	

Richard M. Boudria	Director
<i>(same as above)</i>	

Thomas McCrosson	Director
<i>(same as above)</i>	

4. Name and addresses of any corporation, association, or similar organization holding a 5% or greater ownership or a management interest in the applicant. As to the ownership, the amount and character of the interest must be indicated. A copy of any management agreement must be attached.

**Telecom Acquisition Company, LLC 100%
550 Route 202-206, 2nd Floor
Bedminster, NJ 07921**

5. Names and addresses of subsidiaries owned or controlled by applicant.

Applicant does not have any affiliates providing telecommunication services.

6. Correspondence pertaining to this Application should be directed to Applicant's counsel:

**Patrick D. Crocker
Crocker & Crocker
The Kalamazoo Building
107 W. Michigan Ave, 4th Floor
Kalamazoo, MI 49007
Phone: (269) 381-8893
Fax: (269) 381-4855
E-mail: patrick@crockerlawfirm.com**

TELECOMMUNICATIONS SERVICE

1. The date on which applicant proposes to begin construction or anticipates it will begin to provide service.

Applicant anticipates it will begin to provide service shortly after obtaining authorization. It anticipates that it will enter into the appropriate interconnection and service arrangements with Qwest Corporation ("Qwest") or other certificated facilities-based carriers to offer services.

2. A written description of customer classes and customer service[s] that the applicant proposes to offer to the public.

Applicant proposes to offer all forms of intrastate telecommunications services including: Basic Residential Exchange Service (Local Exchange Flat Rate, Measured Rate Service, and operator assistance); Residential Custom Class Features (call waiting, caller ID, call forwarding, etc.); Adjunct Provider Features (voice Message, etc.) and Residential Ancillary Services (911, directory listing, directory assistance, etc.)

Applicant understands the importance of effective customer service for local service customers. Applicant's toll free customer service telephone number will be available from Monday-Friday from 8 a.m. to 6 p.m., by dialing 1-800-768-2852.

SERVICE TERRITORY

1. A description sufficient for determining whether service is to be offered in a particular location; and the names of all incumbent local exchange corporations with whom the proposed utility is likely to compete.

Applicant intends to offer service in the geographic areas currently served by Qwest Communications. Applicant will mirror the basic local calling areas of the incumbent local exchange companies.

2. Written description of the intended manner of service, for example, resold services or facilities based. A general description of the property owned or controlled by applicant.

Applicant proposes to provide resold and facilities-based local exchange services through the combination of its own and/or leased facilities and the resale of other carrier's facilities and network elements. Applicant intends to offer service upon certification and approval of its interconnection agreements.

3. A statement describing with whom the applicant is likely to compete.

Applicant will compete with other certificated local competitive local exchange carriers in Idaho.

4. A description of the property owned by the applicant clarifies the applicant's proposed services and operation.

Applicant does not own property related to its services and operation in Idaho.

FINANCIAL INFORMATION

Applicant's financial statements are attached hereto as **Exhibit C**.

"ILLUSTRATIVE" TARIFF FILINGS

Proposed initial tariff and price sheets setting forth rates, rules, terms, and regulations applicable to the contemplated service.

Attached hereto as Exhibit D, Applicant submits an illustrative tariff containing rates, rules, terms and regulations.

CUSTOMER CONTACTS

1. Contact information for the applicant.

- a. The name, address, and telephone number and electronic mailing addresses (if available) of the person(s) responsible for consumer inquiries and complaints from the public.

Kelly McKinlay
BCN TELECOM, INC.
550 Hills Drive, Suite 110, 1st Floor
Bedminster, NJ 07921
800-768-2852
kmckinlay@bcntele.com

- b. A toll-free number for customer inquiries and complaints.

1-800-768-2852

- c. The name, number and electronic mailing addresses (if available) of the person(s) designated as a contact for the Commission Staff for resolving complaints, inquiries and matters concerning rates and price lists or tariffs.

Kelly McKinlay
BCN TELECOM, INC.
550 Hills Drive, Suite 110, 1st Floor
Bedminster, NJ 07921
800-768-2852
kmckinlay@bcntele.com

INTERCONNECTION AGREEMENTS

1. Statements of whether the applicant has initiated interconnection negotiations. If yes, then when and with whom.

Applicant has not yet initiated interconnection negotiations but intends to request negotiations with QWEST in the near future.

COMPLIANCE WITH COMMISSION RULES

1. A written statement that the applicant has reviewed all of the Commission rules and agrees to comply with them, or request for waiver of those rules believed to be inapplicable.

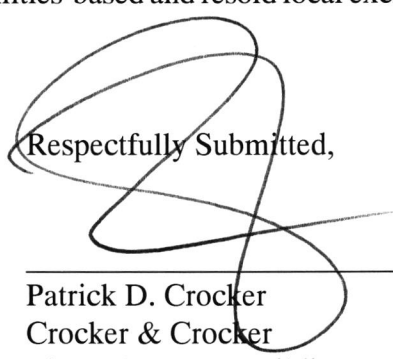
Applicant has reviewed all of the Commission rules and agrees to comply with them.

ESCROW ACCOUNT FOR ADVANCE DEPOSITS

1. If a company requires advance deposits by its customers, the company must submit a signed copy of an escrow account with a bonded escrow agent or a security bond. The escrow or bond shall be sufficient to meet customer deposit refunds in case of company default.

Applicant will not require deposits or require advance payments from Customers and therefore respectfully requests a wavier of the Commission Escrow Account and/or Security Bond requirement.

WHEREFORE, BCN TELECOM, INC. requests that the Idaho Public Utilities Commission approve the request authority to provide facilities-based and resold local exchange and interexchange telecommunications services in Idaho.



Respectfully Submitted,

Patrick D. Crocker
Crocker & Crocker
The Kalamazoo Building
107 W. Michigan, 4th Floor
Kalamazoo, MI 49007
269-381-8893
269-381-4855 (fax)

VERIFICATION

Richard M. Boudria, President of BCN TELECOM, INC., first being duly sworn on oath, deposes and says that he has read the foregoing Application and verifies that the statements made therein are true and correct to the best of his knowledge, information and belief.

BCN TELECOM, INC.

BY:

Richard M. Boudria

Richard M. Boudria
President

The foregoing instrument was acknowledged before me this 15 day of July,
2013, by Richard M. Boudria.

Kathleen Garey

Notary Public

County of Somerset

State of New Jersey

My Commission Expires

November 24, 2015



EXHIBIT A

Articles of Incorporation

FILED

JAN 28 2004

**CERTIFICATE OF AMENDMENT
OF
AMENDED AND RESTATED CERTIFICATE OF INCORPORATION
OF
NUI TELECOM, INC.**

Pursuant to the provisions of Section 14A:9-2(4) and 14a:9-4(3) of the New Jersey Statutes Annotated, the undersigned corporation executes the following Certificate of Amendment to its Amended and Restated Certificate of Incorporation:

1. The name of the corporation is NUI Telecom, Inc. (the "Corporation").

2. The following amendment to the Corporation's Amended and Restated Certificate of Incorporation was approved by at least a majority of directors of the Corporation and thereafter duly adopted by the unanimous written consent all of the holders of shares entitled to vote thereon on January 27, 2004, such written consent is filed with the minutes of the proceedings of the shareholders.

RESOLVED, that **ARTICLE I** is hereby amended and restated in its entirety as follows:

"ARTICLE I. CORPORATE NAME

The name of the Corporation is BCN Telecom, Inc."

3. The total number of shares entitled to vote on the amendments was 2,500.

4. The number of shares voting for the amendment was 2,500 and 0 shares were voted against such amendment.

5. The effective date of this Certificate of Amendment to Amended and Restated Certificate of Incorporation shall be February 16, 2004.

Dated the 28th day of January 2004.

By:



Richard M. Boudria
President and Chief Executive Officer

**CERTIFICATE PURSUANT TO N.J.S.A. 14A:9-5
BY INTERNATIONAL TELEPHONE GROUP, INC.**

FILED

FEB 22 2000

TO: Secretary of State
State of New Jersey

State Treasurer

Pursuant to the provisions of N.J.S.A. 14A:9-5 of the New Jersey Business Corporation Act, the undersigned Corporation certifies that:

1. The name of the Corporation is International Telephone Group, Inc. to be changed by the attached Restated and Amended Certificate of Incorporation to "NUI Telecom, Inc."
2. The attached Restated and Amended Certificate of Incorporation was approved by the Directors of the Corporation and thereafter duly adopted by the shareholders of the Corporation on the date hereof.
3. The total number of shares entitled to vote was 94.9375. The number of shares voting for such amendment was 94.9375. The number of shares voting against such amendment is 0.
4. The Amended and Restated Certificate of Incorporation shall be effective as of February 22, 2000.

NUI Telecom, Inc.
formerly International Telephone Group, Inc.

DATED: 2/18/00

By: 

John Kean, Jr.
Chairman

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
NUI TELECOM, INC.

ARTICLE I. CORPORATE NAME

The name of the Corporation is NUI TELECOM, INC.

ARTICLE II. REGISTERED OFFICE

The address of the Corporation's registered office in the State of New Jersey is 1300 Mount Kemble Avenue, Morristown, New Jersey 07960. The name of the registered agent of the Corporation at such address is Richard M. Boudria.

ARTICLE III. CORPORATE PURPOSE

The Corporation is organized to engage in any lawful act or activity for which corporations may be organized under the New Jersey Business Corporation Act.

ARTICLE IV. AUTHORIZED SHARES

The total number of shares of stock which the Corporation is authorized to issue is two thousand five hundred (2,500) shares of common stock, having no par value.

ARTICLE V. CORPORATE POWERS

The Corporation shall have and exercise all powers and privileges now or subsequently conferred by the laws of the State of New Jersey, including without limitation all powers

necessary or appropriate for the accomplishment of the stated purposes for which the Corporation is organized.

ARTICLE VI. BOARD OF DIRECTORS

There are five (5) Directors of the Corporation. Their names and addresses are:

John Kean, Jr.
550 Route 202/206
P.O. Box 760
Bedminster, New Jersey 07921

A. Mark Abramovic
550 Route 202/206
P.O. Box 760
Bedminster, New Jersey 07921

James R. Van Horn
550 Route 202/206
P.O. Box 760
Bedminster, New Jersey 07921

Robert Lurie
550 Route 202/206
P.O. Box 760
Bedminster, New Jersey 07921

Richard M. Boudria
1300 Mount Kemble Avenue
Morristown, New Jersey 07960

The number of directors shall be fixed by the by-laws, which may specify that the number of directors shall not be less than a specified minimum or more than a specified maximum and provide a method for determining the actual number. The shareholders of the Corporation shall have the authority to elect or remove any or all of the directors with or without cause on the affirmative vote of a majority of the votes cast by the holders of shares entitled to vote for the election of directors.

ARTICLE VII. MEETINGS

Any action required or permitted to be taken by the shareholders of the Corporation must be effected at an annual or special meeting of shareholders of the Corporation or may be taken without a meeting if all the shareholders entitled to vote thereon consent thereto in writing. Except as otherwise required by law and subject to the rights of the holders of any class or any series of preferred stock having a preference over the common stock as to dividends or upon liquidation, special meetings of shareholders of the Corporation may be called only by the Board of Directors pursuant to a resolution adopted by a majority of the total number of authorized Directors (whether or not there exist any vacancies in previously authorized directorships at the time any such resolution is presented to the Board for adoption).

ARTICLE VII. CORPORATE BY-LAWS

Except as set forth in the final sentence of this subsection, the By-Laws of the Corporation may be altered, amended or repealed by the affirmative vote of a majority of the entire Board of Directors then in office. The By-Laws of the Corporation may also be altered, amended or repealed by the shareholders, but only by an affirmative vote of the holders of at least 75 percent of all the then-outstanding shares of the voting stock, voting together as a single class. Any By-Law may provide that it may only be altered, amended or repealed by the affirmative vote of the holders of at least 75 percent of all the then-outstanding shares of the voting stock, voting together as a single class, in which event such By-Law may only be altered, amended or repealed by such vote.

**ARTICLE IX. NO PERSONAL LIABILITY/INDEMNIFICATION
OF CORPORATE AGENTS**

(a) A Director or officer of the Corporation shall not be personally liable to the Corporation or its shareholders for monetary damages for breach of fiduciary duty as Director or officer, as the case may be, except to the extent that such exemption from liability or limitation of liability is not permitted under the New Jersey Business Corporation Act as currently in effect or as subsequently amended. No amendment to or repeal of this Article IX and no amendment to or repeal or termination of effectiveness of any law permitting the exemption from or limitation of liability provided for in this Article IX shall apply to or have any effect on the liability or alleged liability of any Director or officer for or with respect to any acts or omissions of that director or officer occurring prior to such amendment, repeal or termination of effectiveness.

(b)(1) Right to Indemnification. Each person who was or is made a party or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative (hereinafter a "proceeding"), by reason of the fact that such person or anyone for whom such person is the legal representative, is or was a Director or officer of the Corporation or is or was serving at the request of the Corporation as a Director, officer, employee or agent of another corporation or of a partnership, joint venture, trust or other enterprise, including service with respect to employee benefit plans, whether the basis of such proceeding is alleged action or inaction in an official capacity as a Director, officer, employee or agent or in any other capacity while serving as a Director, officer, employee or agent, shall be indemnified and held harmless by the Corporation to the fullest extent authorized by the New Jersey Business Corporation Act or any other law, as the same exists or may hereafter be amended (but in the case of any such amendment, only to the extent that such amendment

permits the Corporation to provide broader indemnification rights than said law permitted the Corporation to provide prior to such amendment), against all expense, liability and loss (including attorney's fees, judgments, fines, ERISA excise taxes or penalties and amounts paid or to be paid in settlement) reasonably incurred or suffered by such person in connection therewith and such indemnification shall continue as to a person who has ceased to be a Director, officer, employee or agent and shall inure to the benefit of his or her heirs, executors and administrators; provided, however, that, except as provided in this paragraph (b), the Corporation shall indemnify any such person seeking indemnification in connection with a proceeding (or part thereof) initiated by such person only if such proceeding (or part thereof) was authorized by the Board of Directors of the Corporation. The right to indemnification conferred in this paragraph (b) shall be a contract right and shall include the right to be paid by the Corporation the expenses incurred in defending any such proceeding in advance of its final disposition; provided, however, that, if the New Jersey Business Corporation Act requires, the payment of such expenses incurred by a Director or officer in his or her capacity as a Director or officer of the Corporation (and not in any other capacity in which service was or is rendered by such person while a Director or officer, including, without limitation, service to an employee benefit plan) in advance of the final disposition of a proceeding, shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of such Director or officer, to repay all amounts so advanced unless it shall ultimately be determined that such Director or officer is entitled to be indemnified under this Section or otherwise. The Corporation may, by action of its Board of Directors, provide indemnification to employees and agents of the Corporation with the same scope and effect as the foregoing indemnification of Directors and officers.

(2) Right of Claimant to Bring Suit. If a claim under subparagraph (b)(1) is not paid in full by the Corporation within 30 days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim and, if successful in whole or part, the claimant shall be entitled to be paid also the expense (including, without limitation, reasonable attorney fees) of prosecuting such claim. It shall be a defense to any such action (other than an action brought to enforce a claim for expenses incurred in defending any proceeding in advance of its final disposition where the required undertaking, if any is required, has been tendered to the Corporation) that the claimant has not met the standards of conduct which make it permissible under the New Jersey Business Corporation Act for the Corporation to indemnify the claimant for the amount claimed, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its shareholders) to have made a determination prior to the commencement of such action that indemnification of the claimant is proper in the circumstances because the claimant has met the applicable standard of conduct set forth in the New Jersey Business Corporation Act nor an actual determination by the Corporation (including its Board of Directors, independent legal counsel, or its shareholders) that the claimant has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that the claimant has not met the applicable standard of conduct.

(3) Non-Exclusivity of Rights. The right to indemnification and the payment of expenses incurred in defending a proceeding in advance of its final disposition conferred in this paragraph (b) shall not be exclusive of any other right which any person may have or hereafter acquire

under any statute, provision of the Certificate of Incorporation, by-law, agreement, vote of shareholders or disinterested Directors or otherwise.

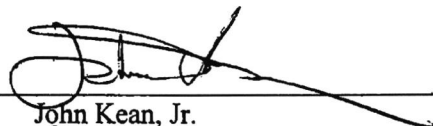
(4) Insurance. The Corporation may maintain insurance, at its expense, to protect itself and any Director, officer, employee or agent of the Corporation or another corporation, partnership, joint venture, trust or other enterprise against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person against such expense, liability or loss under the New Jersey Business Corporation Act.

ARTICLE X. AMENDMENTS

The Corporation reserves the right to amend and repeal any provision contained in this Certificate of Incorporation in the manner prescribed by the laws of the State of New Jersey. All rights herein conferred are granted subject to this reservation.

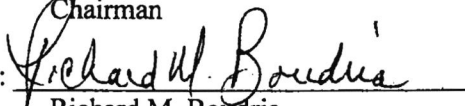
NUI Telecom, Inc.

By:

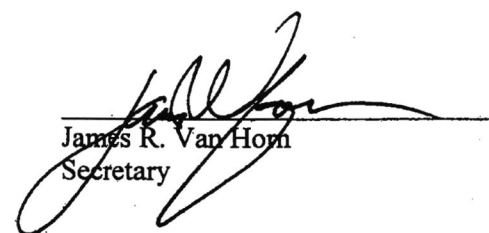


John Kean, Jr.
Chairman

By:



Richard M. Boudria
President



James R. Van Horn
Secretary

EXHIBIT B

Certificate of Good Standing

State of Idaho

Office of the Secretary of State

CERTIFICATE OF EXISTENCE

OF

BCN TELECOM, INC.

File Number C-162187

I, BEN YSURSA, Secretary of State of the State of Idaho, hereby certify that I am the custodian of the corporation records of this State.

I FURTHER CERTIFY That the records of this office show that the above-named corporation was incorporated under the laws of NEW JERSEY and filed to transact business in Idaho on 8/29/2005.

I FURTHER CERTIFY That the corporation is in goodstanding on the records of this office.

Dated: 7/29/2013 2:12 PM



Ben Yursa
SECRETARY OF STATE

Authentic Access Idaho Document (<http://www.accessidaho.org/public/portal/authenticate.html>)
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EXHIBIT C

Financial Statements

BCN Telecom Company, Inc. Balance Sheet For the Twelve Months Ending December 31, 2012												
	01/31/12	02/29/12	03/31/12	04/30/12	05/31/12	06/30/12	07/31/12	08/31/12	09/30/12	10/31/12	11/30/12	12/31/12
Current Assets												
Cash	(31,702)	(57,245)	(168,998)	(6,329)	(539,750)	(415,715)	(253,072)	59,565	161,359	(242,964)	(26,154)	(463,729)
Accounts Receivable	83,141.34	88,592.34	200,253.85	37,492.51	570,822.71	446,560.58	284,560.58	192,661.52	192,661.52	274,177.87	57,776.52	495,301.35
Allowance for Doubtful Account	31,439	31,347	31,256	31,164	31,072	30,981	31,489	59,565	31,306	31,302	31,622	31,572
Prepaid Expenses & Other Current Assets	4,916,052	4,605,666	4,832,015	4,961,091	4,867,354	5,111,223	4,642,155	4,867,566	5,211,352	5,112,192	5,385,084	5,253,754
Deferred Tax Asset, Current Portion	(207,300)	(227,300)	(217,571)	(258,525)	(278,546)	(288,446)	(261,839)	(242,330)	(262,485)	(244,431)	(251,289)	(271,289)
Due from Related Party (Hills Mgt)	161,542	161,542	161,542	161,542	161,542	161,542	161,542	161,542	161,542	161,542	161,542	161,542
Total Current Assets	5,622,781	5,390,963	5,823,098	5,761,936	5,710,143	5,989,388	5,546,776	5,849,068	6,029,993	5,875,736	6,207,050	5,999,750
Property and Equipment												
Furniture and Fixtures	481,123	481,123	481,123	481,123	481,123	481,123	481,123	481,123	481,123	481,123	481,123	481,123
Leasehold Improvements	76,755	76,755	76,755	76,755	76,755	76,755	76,755	76,755	76,755	76,755	76,755	76,755
Computer Equipment	684,837	684,498	684,498	684,498	684,498	684,498	684,498	684,498	684,498	684,498	684,498	684,498
Software License	95,770	95,770	95,770	95,770	95,770	95,770	95,770	95,770	95,770	95,770	95,770	95,770
Customer Phone Equipment	16,359	16,359	16,359	16,359	16,359	16,359	16,359	16,359	16,359	16,359	16,359	16,359
Accum. Depreciation - Furniture	(349,641)	(352,813)	(355,955)	(359,097)	(362,214)	(365,332)	(368,449)	(371,567)	(374,684)	(377,802)	(380,920)	(384,037)
Accum. Depreciation - Leasehold Improvement	(62,574)	(62,959)	(63,343)	(63,727)	(64,112)	(64,496)	(64,881)	(65,265)	(65,650)	(66,034)	(66,418)	(66,802)
Accum. Depreciation - Comp. Eq	(635,887)	(639,832)	(643,553)	(647,311)	(651,070)	(654,829)	(658,587)	(662,341)	(666,095)	(669,849)	(673,603)	(677,357)
Accum. Depreciation - Software	(81,047)	(81,685)	(82,324)	(82,963)	(83,602)	(84,241)	(84,880)	(85,519)	(86,158)	(86,797)	(87,436)	(88,075)
Accum. Depreciation - Customer Phone Equipment	(1,531)	(2,144)	(2,757)	(3,370)	(3,983)	(4,596)	(5,209)	(5,822)	(6,435)	(7,048)	(7,661)	(8,274)
Total Property and Equipment	227,165	225,678	217,814	211,293	204,567	205,607	213,477	207,871	202,664	201,689	198,188	197,407
NonCurrent Assets												
Security Deposits	30,326	30,326	30,326	30,326	30,326	30,326	30,326	30,326	30,326	30,326	30,326	30,326
Surety Bond Deposits	1,414,848	1,414,848	1,414,848	1,414,848	1,414,848	1,414,848	1,414,848	1,414,848	1,414,848	1,414,848	1,414,848	1,414,848
Deferred Tax Asset, Net of Current Portion	340,289	342,589	349,289	350,889	352,489	354,089	355,689	357,289	358,889	360,489	362,089	363,689
Due from Related Party (TAC)	2,294,174	2,255,891	2,217,608	2,279,768	2,241,528	2,203,288	2,165,048	2,126,808	2,088,568	2,050,328	2,012,088	1,973,848
Intangible Asset, Net	112,366	125,509	123,291	198,807	189,769	180,730	171,692	162,654	153,616	144,578	135,540	126,502
Florida Rent Abatement	4,192,003	4,169,162	4,232,883	4,272,838	4,222,538	4,172,439	4,122,340	4,072,241	4,022,142	3,972,043	3,921,944	3,871,845
Total NonCurrent Assets	10,041,948	9,791,804	10,273,594	10,245,866	10,145,248	10,367,434	9,890,856	10,140,823	10,265,811	10,060,480	10,368,494	10,126,391
Total Assets												
Current Liabilities												
Note Payable to Bank	504,000	504,000	529,333	487,333	445,333	403,333	361,333	319,333	277,333	235,333	333,333	333,333
Accounts Payable	4,125,470	4,019,655	4,295,887	4,129,978	4,556,929	4,595,969	3,968,834	4,215,566	4,609,202	4,724,863	4,680,129	4,867,842
Other Current Payables	20,189	46,167	54,597	71,585	(66,276)	(30,331)	(7,473)	26,987	36,857	(34,853)	(5,939)	9,321
Sales & Excise Tax Payable	209,007	238,780	133,318	145,798	157,258	169,134	174,038	152,273	216,899	230,306	264,815	276,695
Income Taxes Payable	(117)	44,531	42,834	42,833	(5,000)							
Deferred Revenue - Internet	4,903,080	4,851,617	5,055,769	4,877,526	5,130,581	5,179,415	4,535,929	4,750,891	5,176,175	5,191,088	5,285,648	5,522,138
Total Current Liabilities	9,764,695	9,707,999	10,073,594	9,907,625	10,245,866	10,145,248	9,890,856	10,140,823	10,265,811	10,060,480	10,368,494	10,126,391
Long-Term Liabilities												
Note Payable to Bank	76,000	34,000	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667	66,667
Note Payable to Bank - Revolver	2,618,948	2,415,715	2,618,522	2,751,165	2,418,716	2,609,120	2,792,723	2,833,911	2,554,118	2,408,356	3,133,080	2,857,681
Note Payable to Related Party	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667	166,667
Total Long-Term Liabilities	2,861,615	2,616,382	2,851,856	2,984,499	2,648,050	2,834,453	3,015,057	3,054,595	2,776,452	2,611,690	3,366,413	3,091,015
Total Liabilities	12,626,310	12,324,381	12,925,450	12,892,124	12,888,601	13,020,001	12,905,913	13,195,418	13,042,263	12,672,170	13,734,907	13,217,406
Stockholder's Equity												
Paid-in-Capital	4,311,770	4,311,770	4,311,770	4,311,770	4,311,770	4,311,770	4,311,770	4,311,770	4,311,770	4,311,770	4,311,770	4,311,770
Retained Earnings	(2,035,746)	(2,035,746)	(2,035,746)	(2,035,746)	(2,035,746)	(2,035,746)	(2,035,746)	(2,035,746)	(2,035,746)	(2,035,746)	(2,035,746)	(2,035,746)
Net Income YTD	1,229	47,811	89,945	107,871	90,760	77,844	70,468	69,719	54,694	(10,704)	(383,144)	(565,245)
Total Capital	2,277,253	2,323,805	2,365,969	2,383,841	2,356,784	2,353,868	2,341,370	2,339,354	2,323,018	2,292,701	1,116,432	913,238
Total Liabilities & Capital	10,041,948	9,791,804	10,273,594	10,245,866	10,145,248	10,367,434	9,890,856	10,140,823	10,265,811	10,060,480	10,368,494	10,126,391

BCN Telecom Company, Inc.		
Income Statement		
For the Twelve Months Ending December 31, 2012		
	Actual	
	YTD	
Total Revenue	32,757,503	
Total Cost of Goods Sold	19,494,811	
Gross Margin	13,262,692	
Operating Expenses		
Commissions Expense	4,794,107	
Net Margin	8,468,585	
Payroll Expense	4,596,903	
General and Admin Exp	3,341,555	
Bad Debt Expense	290,675	
Total Operating Expense	13,023,240	
EBITDA	239,452	
Depreciation & Amortization	589,395	
Operating Income	(349,943)	
Other Income (Expense)		
Other Revenue	192	
Interest Expense	296,803	
Income Before Income Taxes	(646,554)	
Income Tax Provision	(61,309)	
Net Income	(585,245)	

EXHIBIT D

Illustrative Tariff